

September 13, 2006

The Honorable Tom Coburn, M. D.
U. S. Senator
172 Russell Senate Office Building
Washington, DC 20510

Dear Senator Coburn,

I am writing in response to your letter of July 27, 2006, in which you requested information about the use of federal funding awarded to Purdue University through the annual congressional appropriations process. I am sorry that we are unable to gather the data to respond directly to all of your questions in the time frame specified. However, I hope you will find that this response addresses the spirit of the questions. I believe these appropriations are being used very effectively and efficiently at Purdue, and they certainly are an important resource for the University and the constituencies it serves.

As a land-grant university, Purdue takes very seriously its responsibility to serve the people of the State of Indiana, the United States of America and the global community. Our ability to carry out those responsibilities is highly dependent on the resources we are able to attract. Purdue depends upon a variety of funding sources. We work not only to maximize those funds but also to leverage them whenever possible. We have almost completed a \$1.5 billion capital campaign to build new facilities and endow programs on our campuses. The donors to this campaign have been primarily individuals, private industry and foundations. At the same time we have increased the extramural support that comes primarily from federal agencies through peer-reviewed processes. This funding has gone from approximately \$126 million to \$285 million on an annual basis since 1996. In addition, we work closely with our congressional delegation to develop projects and initiatives to be funded through the annual appropriations process.

You ask in your letter about the processes we use for selecting and monitoring the projects for which we receive funding. Our processes are relatively formal and democratic. Each year we issue a call for ideas/proposals to our faculty and staff for federal projects. The call describes the criteria that will be used to select projects. The response is generally quite enthusiastic. Last year we received more than fifty proposals. Each year a group of faculty, administrators and individuals familiar with federal priorities selects approximately a dozen of these projects to be shown to the Indiana congressional delegation. The final list includes projects of high national priority that are important to the University's research agenda and involve the most accomplished of our faculty and students. These projects — with detailed justifications — are presented to our congressional delegation by our governmental relations staff. We also make a focused effort to keep our delegation informed about projects that have been funded. Purdue does employ an outside firm to advise our staff on government relations and other matters. There are no plans to expand this relationship.

I will describe a few of our recent projects as an illustration of the stewardship Purdue University provides for federal appropriations:

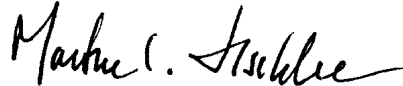
- Purdue has built a new \$65 million, 175,000-square foot nanotechnology facility called Birck Nanotechnology Center. The Center includes some of the best fabrication and clean-room testing facilities available in the world. The Birck Nanotechnology Center — which was constructed primarily with privately donated funds — is not captive to a single company. The Center includes both research and education capabilities. The Birck Center's facilities will enable significant new research at Purdue that will help realize the promise of nanotechnology. Three million dollars of the total budget for the Center came from a federal appropriation through NASA for construction of testing facilities.
- The Hardwood Tree Improvement and Regeneration Center is a cooperative research and development program between Purdue University and the USDA Forest Service. Additional membership and support come from industry and industry associations. Federal appropriations through the Forest Service have totaled approximately \$6 million over the last six years. This HTIRC has developed an extremely strong program of research, education, economic development and outreach. It has attracted an NSF Industry/University Cooperative Research Center. In the past year alone HTIRC has attracted \$3.6 million in external funds and produced 54 scientific publications as well as \$1.5 million for the endowment of a professorship at Purdue. In FY06 Purdue received \$750,000 in direct appropriations through the USDA Forest Service for the development of a hardwood scanning system to scan logs and plan how the lumber may be cut to improve yield from each log. The HTIRC received another \$750,000 in matching funds from multiple sources, including seven Indiana companies and four hardwood associations. The Center has submitted a \$1.5 million proposal to the Indiana 21st Century Research and Technology Fund. This work has just started so results are not available, but this is an illustration of the leverage that Purdue University tries to achieve with our federal appropriations.
- The Institute for Safe, Quiet and Durable Highways was originally funded in 1998 through the SAFETEA legislation. The Center has become the world leader in technology related to quieter highways. Over the four-year period from 1998 to 2002 the Institute received approximately \$1.4 million from US DOT. Since its inception, the Institute has attracted approximately \$3 million in additional funding from non-federal sources, including state departments of transportation, private companies and industry associations. The Institute has hosted two national strategic planning workshops to Roadmap for Quieter Highways and provided a Tire/Pavement Noise 101 short course in sixteen states with fifteen additional offerings planned. The major projects have been completed and the results disseminated to the pavement technical community nationally. The Institute is a unique national resource available for quiet highways technology and education.
- The Integrated Detection of Hazardous Materials (IDHM) Program was funded for three years starting in September 2000. Total federal appropriation was approximately \$4 million through ONR and NSWC Crane. The IDHM program had nine projects involving twenty-five faculty members, ten post-doctoral fellows, twenty-seven graduate students and six undergraduate students. The group produced thirty-nine scientific journal publications, ninety-eight conference publications and ten intellectual property disclosures. Follow-on funding exceeds \$10 million from sources including DARPA, DOE, NIH, and Indiana's 21st Century Research and Development Fund. Several start-up companies have been launched to commercialize IDHM technologies, including 2K Corporation and QuadraSpec.

In summary, federal appropriations are a vital part of the resource base required for Purdue to accomplish its missions in the manner expected of a preeminent land-grant university. We have endeavored to be good stewards of these funds, and I believe they have been good investments of federal dollars. This source of funding complements other sources in that these funds tend to be more responsive to national and regional needs (e.g., Homeland Security, disaster mitigation and response to Improvised Explosive Devices). These funds also are easier to leverage with industry and private sources and tend to allow higher-risk research, which sometimes produces more innovative results than peer-reviewed projects.

Congressional appropriations are proportionally a small part of our resource base, but they represent a vital component and we value them highly. I believe this type of funding also helps our government address important national priorities. When properly managed, as it is at Purdue, this type of funding also is very responsive to taxpayer stewardship.

Thank you, Senator, for the opportunity to address this matter. I hope my response has been helpful to you. Please let me know if you would like additional information.

Sincerely,

A handwritten signature in black ink, reading "Martin C. Jischke". The signature is written in a cursive style with a large, stylized "M" and a long, sweeping underline.

Martin C. Jischke
President